

# LIQUOR AGENTS GENERATE REVENUE FOR OREGON

- OLCC contributed more than \$435 million to Oregon programs, cities and counties in the 2013-15 biennium\*, 100% generated by Liquor Agents!

Where Revenue is Distributed	
State General Fund	\$247.4 M
City Revenue Sharing Account	\$54.1 M
Cities (Incorporated)	\$77.4 M
Counties	\$38.7 M
Mental Health, Alcoholism, and Drug Services	\$17.3 M
Oregon Wine Board	\$5.6 M
<b>Total Distribution 2013-15 Biennium</b>	<b>\$435.5 M</b>

[http://www.oregon.gov/olcc/pages/allocation\\_of\\_liquor\\_revenue.aspx](http://www.oregon.gov/olcc/pages/allocation_of_liquor_revenue.aspx)

## OREGON LIQUOR CONTROL COMMISSION Where Your Liquor Dollars Go

The Oregon Liquor Control Commission (OLCC) contributed more than \$435 million to Oregon programs, cities and counties in the 2013-15 biennium. Of that, more than \$247 million went to the General Fund to help pay for the state's education, health, and public safety programs.

OLCC revenue is distributed to the General Fund and to other Oregon programs based on a plan created by the state Legislature. OLCC, liquor store agents, alcohol manufacturers and distributors all play a role in creating the revenue.

Mental health, alcohol and drug treatment services benefit from \$17 million which helps to pay for addiction programs across the state. The Oregon Wine Board received \$600,000.

OLCC gave more than \$77 million to Oregon cities and counties for local programs that benefit from OLCC revenue. These include enforcement, alcohol prevention, and treatment as well as other public safety initiatives.

Cities also benefited from OLCC dollars through city revenue sharing, receiving approximately \$54 million.



9079 SE McLoughlin Blvd., Portland, OR 97222 • Phone: 503-472-5000 • TDD: 800-452-OLCC  
[www.oregon.gov/olcc](http://www.oregon.gov/olcc)

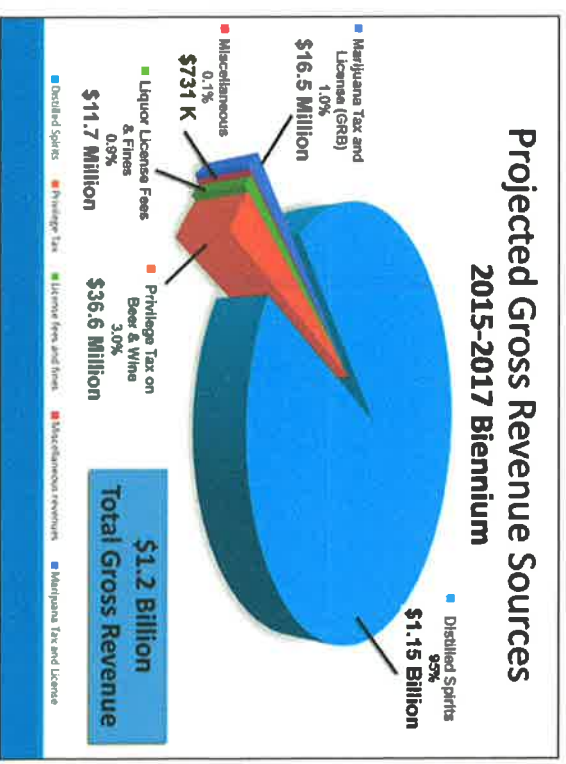
© 2014 OLCC

[http://www.oregon.gov/olcc/PublishingImages/where\\_liquor\\_revenue\\_goes.jpg](http://www.oregon.gov/olcc/PublishingImages/where_liquor_revenue_goes.jpg)

\*[http://www.oregon.gov/olcc/docs/news/news\\_releases/2015/nr\\_08\\_18\\_15\\_LiquorSales\\_2015Biennium\\_links.pdf](http://www.oregon.gov/olcc/docs/news/news_releases/2015/nr_08_18_15_LiquorSales_2015Biennium_links.pdf)

## HOW TO PAY FOR AGENT COMP INCREASE

- 2013-15 distilled spirits sales was \$1B
- OLCC projects an increase of \$150M during 2015-17
- OLCC will net \$62.7M increase (after COGS + agent compensation)
- \$13.1M additional agent compensation biennially represents only 20.9% of projected revenue increase
- Increased agent compensation as proposed would still grow OLCC distributions by \$49.6M this biennium!



## SUMMARY

- Oregon Liquor Agents generate significant revenue for Oregonians, while beer and wine taxes or license fees are relatively miniscule
- Agent compensation has not increased substantially for decades, despite growing sales
- Compensation formulas used by OLCC do not equitably distribute commissions and larger stores effectively subsidize smaller stores
- Legislated increased labor costs and other business expenses will impact Liquor Agents who do not control their prices and cannot react like other industries
- Providing increased compensation to account for legislated costs can be funded through organic growth and still provide record-high revenues